

# **Exhibit A**

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## **EPA Secures \$165 Million Agreement with Occidental Chemical to Conduct the Work Needed to Start the Cleanup of the Lower Eight Miles of the Passaic River**

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(New York, N.Y. – Oct. 5, 2016) The U.S. Environmental Protection Agency today announced a legal agreement with Occidental Chemical Corporation, one of more than 100 parties identified as potentially responsible for contamination of the lower Passaic River, to perform engineering and design work needed to begin the cleanup of the lower 8.3 miles of the lower Passaic River. This work, which includes sampling, evaluating technologies, and doing the engineering work

necessary before physical cleanup work can begin, will be done under EPA oversight. Occidental Chemical Corporation will also pay for the EPA's oversight costs. The EPA will pursue additional agreements with all of the more than 100 parties legally responsible for the contamination to ensure that the cleanup work in the lower 8.3 miles will be carried out and paid for by those responsible for the pollution as required by the Superfund law.

"This agreement is a milestone in getting the Passaic River cleaned up. It is an example of how Superfund is designed to work – those responsible for the contamination pay for the work, rather than taxpayers," said Judith A. Enck, EPA Regional Administrator. "Occidental has agreed to spend \$165 million to do this work and in doing so is moving us a lot closer to a restored Passaic River. The EPA will work to secure similar agreements with the other parties that polluted the Passaic River and have the legal responsibility to pay for the cleanup."

In March 2016, the EPA issued its final plan to remove 3.5 million cubic yards of toxic sediment from the lower 8.3 miles of the Passaic, from Newark Bay to the Newark/Belleville border, followed by capping that entire stretch of river bottom. The sediment in the Passaic River is severely contaminated with dioxin, PCBs, heavy metals, pesticides and other contaminants. The lower 8.3 miles of the Passaic is the most heavily contaminated section of the river. Ninety percent of the volume of contaminated sediments in the river is in the lower eight miles. The cleanup is estimated to cost \$1.38 billion. Design work is expected to take four years to complete. The dredging, dewatering and disposal of dredged materials, and the capping and related construction work will follow, and is expected to take an additional six years to complete.

Under the legal settlement, Occidental Chemical Corporation will:

- Develop an overall project management plan to get all work needed prior to and during the cleanup done on a prescribed schedule
- Submit to EPA a design plan that includes work plans and technical approaches for implementing all design activities
- Submit field sampling and quality assurance plans for EPA approval, including a plan to collect and analyze sediment samples for the purposes of designing the dredging plan and the engineered cap
- Develop a plan for dredged material disposal
- Submit a site-wide plan to monitor water and air quality throughout the life of the cleanup project
- Identify and select a site or sites for the sediment processing facility, with public input
- Perform studies to evaluate enhanced capping technologies.

A major source of dioxin in the river was pollution from the former Diamond Alkali facility in Newark, where the production of Agent Orange and other pesticides during the 1960s generated dioxin that contaminated the land and the river. Fish and shellfish in the lower Passaic and Newark Bay are highly contaminated with mercury, PCBs and dioxin. Fisheries along the river have long been closed due to the contamination. Catching crab is prohibited, as is consumption of fish and crab taken from the Lower Passaic River.

The lower 17 miles of the Passaic River, stretching from its mouth at Newark Bay to the Dundee Dam, are part of the Diamond Alkali Superfund site.

Because of the complexity of the Passaic River contamination, the EPA divided the investigation and consideration of cleanup options into two studies – one for the 17-mile stretch of the Lower Passaic from its mouth to the Dundee Dam and the other focused on the lower 8.3 miles. Information gained from the 17-mile study was integrated into the EPA’s Record of Decision for the cleanup of the lower 8.3 miles.

The EPA cleanup plan builds on dredging that has already occurred in two areas of the lower 17 mile stretch with high concentrations of contaminants in sediment. In 2012, the EPA oversaw dredging in the Passaic River near the former Diamond Alkali facility in Newark. About 40,000 cubic yards of the most highly dioxin contaminated sediment were removed, treated and then transported by rail to licensed disposal facilities out of state. In 2013, the EPA oversaw dredging of approximately 16,000 cubic yards of highly contaminated sediment from a half-mile stretch of the Passaic River that runs by Riverside County Park North in Lyndhurst, N.J. This area is located about 11 miles north of the river mouth and outside of the lower eight miles addressed in today’s announcement.

The cleanup plan requires the permanent removal from the river of approximately 24,000 pounds of mercury, 6,600 pounds of PCBs, 1,300 pounds of DDT, a pesticide, and 13 pounds of highly toxic dioxin. Sediment will be dewatered and transported, likely by train, for disposal. Dredged sediment will be sent to licensed, permitted facilities designed to accept the type of contaminants in the sediment. After dredging, the entire lower 8.3 miles of the river will be capped bank-to-bank. The cap will isolate the remaining contaminated sediment, effectively eliminating the movement of a major source of contamination to the rest of the river and Newark Bay. It will be monitored and maintained to ensure that the cleanup remains protective. In the 1.7 miles closest to Newark Bay, deeper dredging will occur to allow current commercial navigation to continue.

Although Occidental Chemical Corporation did not directly discharge pollution into the Passaic River, the company is legally responsible for pollution discharged from the former Diamond Alkali pesticides manufacturing plant that operated in Newark from the 1940s to the 1960s. The Diamond Alkali factory no longer exists and the company was sold several times, and eventually it was bought by a company affiliated with Occidental, and merged into Occidental. When one company merges with another, both the assets and the legal liabilities continue with the resulting company, which is Occidental.

Under the Superfund program, EPA searches for parties legally responsible for the contamination at sites that are placed on the Superfund list and seeks to hold those parties accountable for the costs of investigations and cleanups. To date over 100 companies have been identified as potentially responsible for generating and releasing toxins to the Passaic River. Most of the work to clean up the Passaic has been performed by parties legally responsible for the contamination.

To learn more, please visit the Passaic River web site: <http://www.ourpassaic.org>

To view the settlement, please click on this link:  
<https://semspub.epa.gov/src/collection/02/SC31941>

A list of parties that were notified by EPA of their potential liability for costs associated with contamination in the lower 8.3 miles of the Passaic River is available at <https://semspub.epa.gov/src/document/02/457510>

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